

Session proposal: Innovation and the Foundational Economy: a new model of place-based development?

Lars Coenen, University of Melbourne

Teis Hansen, Lund University

Pedro Marquez, INGENIO

Kevin Morgan, Cardiff University

The emerging concept of Foundational Economy carries enormous implications for a place-based approach to innovation, development and territorial politics (Bentham et al. 2013; Fairbrother 2017; Marques et al. 2018). In contrast to conventional models of innovation, which are often focused on the fashionable high technology sectors of the knowledge economy, the Foundational Economy perspective calls attention to the unfashionable, mundane sectors that are designed to keep us “safe, sound and civilised” – such as health, education, dignified eldercare, social housing, agro-food, energy and the like (Engelen et al. 2017). The foundational economy includes the goods and services which are the social and material infrastructure of civilized life because they provide the daily essentials for all households.

Although the foundational economy seemingly could be contrasted to the technology-generating sectors of the knowledge economy, all the foundational sectors are extensive technology-using and knowledge-intensive sectors. Nonetheless, there is still considerable ambiguity regarding the role of innovation in a Foundational Economy. Who are the innovating agents in the Foundational Economy, what characterizes the networks and institutions that enable and constrain innovation in the Foundational Economy, is innovation in the Foundational Economy different from innovation as we know it in the knowledge economy? How do regional characteristics condition the possibilities for advancing principles of the foundational economy? These fundamental questions have not been addressed in the emerging literature around the Foundational Economy. In general, little is known about the geography of innovation in Foundational Economies. This session seeks to bring together research on the elusive whereabouts of innovation in the Foundational Economy and its implications for place-based approaches to regional development and territorial politics. These implications also include normative concerns about what should be prioritised in regional development, namely whether the goal is overall growth in total output or better distribution of existing wealth; whether policy should seek job growth for low-skilled workers or the attraction of highly skilled talent from elsewhere; or if regions should encourage radical innovation that displaces existing specialisations, or incremental innovation which promotes slow change but avoids social disruptions.